the Chairmanship of Additional Secretary (Coal) to examine the issue of revision of royalty rates on coal. The Committee ascertained the viewpoints of all stake holders including the State Governments. Most of the coal producing State Governments have requested for fixation of royalty on advalorem basis. After detailed deliberations with all stake holders, the Committee submitted its report. The Report is under consideration of the Government. Its impact on the coal producing States and the prices of steel, electricity etc. can be evaluated only after a view is taken on the basis and rates of royalty by the Government.

Permit to SCCL to sell coal

3824. SHRI NANDI YELLAIAH: Will the PRIME MINISTER be pleased to state:

(a) whether his Ministry is aware that about three lakh tonnes of ungraded coal (carbonaceous shale) is lying undisposed at SCCL, a PSU of Government of Andhra Pradesh and some cement units are willing to use it by blending it with pet coke but the Ministry of Coal's guidelines of restricting coal supplies upto 80% of Long Term Linkage and application of MoP norms for captive Power plants is restricting the sale of this carbonaceous shale;

(b) if so, whether his Ministry would permit SCCL to seel this coal to the needy without insistence of any long-term linkage; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYAN RAO): (a) Yes, Sir. It is a fact that Singareni Collieries Company Limited (SCCL) has about 3.00 lakh tonnes of undisposed carbonaceous shale. In order to dispose this product, SCCL had written to Ministry of Coal to accord permission to supply this coal to Cement plants and captive power plants over and above the long term linkages.

(b) and (c) The Ministry of Coal informed SCCL to dispose of 3 lakh tonnes of carbonaceous shale/ungraded coal during 2005-06 through electronic auction on internet.